

DEPARTMENT OF FOOD AND AGRICULTURE

A.G. KAWAMURA, Secretary

Division of Measurement Standards
6790 Florin Perkins Road, Suite 100
Sacramento, CA 95828-1812
Phone: (916) 229-3000
Fax: (916) 229-3026



DMS NOTICE

D – 05 - 2

August 5, 2005

Discard: 08/2006

TO: WEIGHTS AND MEASURES OFFICIALS

SUBJECT: SUBMETER VIOLATIONS, METER REGISTRATION, AND EXPECTED TESTING REQUESTS

Many county jurisdictions are working on investigations of utility submeter and billing practices in concert with DMS Device Enforcement Program Specialists. A number of installation and billing issues relating to these investigations result primarily from complaints received from individual apartment residents. Many of the locations already investigated have not reported their submeter installations as required.

The investigation has also revealed some meters that were tested and sealed were installed in illegal installations, and a very large number of devices have been installed and used incorrectly. It is in the best interest of the public to test and seal meters only when it is confirmed they will be used in a legal manner and that they will not result in unreliable measurement determinations or incorrect charges.

The attached excerpts, taken largely from Device Enforcement Manual EPO Reference T, briefly outline precautions that should always be followed before and after testing and sealing meters and releasing them for use, particularly since many of these installations are already known to be in violation of several laws. Permitting the inappropriate use of such tested meters would also be inconsistent with the investigations already underway.

Industry installers have clearly not become familiar with the requirements of the Registered Service Agency regulations and the responsibilities of licensed service agents. To assist anyone who indicates interest in achieving a goal of compliance they will need to be informed of how to correct each installation, where to obtain the tariff rules and approval from each applicable utility company (electricity, gas, water, sewer, etc), and of requirements for bills and records retention, such as information relating to dates, readings, quantities, and rates.

If and when we have further guidance and legal interpretations relating to submeters and submeter bills resulting from work with other officials, we will provide additional updates.

Please be prepared to potentially receive large numbers of utility submeter submissions or inquiries. We also hope the industries that may be affected by a glut of requests, will understand if some delays occur.

If you have any questions, please contact Ken Lake, Program Supervisor, at (916)229-3047, or via email at klake@cdfa.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mike Cleary', with a stylized flourish at the end.

Mike Cleary
Director

Attachment

cc: Tomas Bannon, California Apartment Association
Ed Williams, County Liaison

Laboratory or Field Checklist for Submeter Pre-Test Information

Before Testing Submeters:

1. Has the user/installer or service agency verified that the submeters are acknowledged as “legal” and “suitable” for the proposed installations with the utility distribution company(ies) or district(s) having authority to make the determination? This can be considered a responsibility placed upon the submitter. Ensure that the proper contact persons are provided to the submitter or the service agency to ensure an authoritative response from the utility company. An official may elect to contact the utility company directly.

- Does submetering comply with the utility company tariff rules?
- Are there requirements for rates and billing?
- Are the meters considered suitable by the utility?
- Are the proposed meter locations, enclosures, clearance and installations compliant with building codes, the California Code of Regulations and any applicable safety rules of the serving utility?

Though the meters are type-approved under weights and measures statutes, it is also necessary to know if the utility company has any concerns regarding suitability of the meters to accurately measure [energy/water] consumption for the purpose of billing the tenants for utility usage under CPUC statutes and/or utility tariff rules.

2. Verify the meters are type-approved under weights and measures statutes. Read the certificate to verify that the device is being utilized properly as described in the certificate. Do you have any concerns regarding suitability of the meters to accurately measure [energy/water] consumption for the purpose of billing the tenants for utility usage under CPUC statutes and/or the utility tariff rules?
3. When installation of a utility submeter occurs, the sealer should receive the required notification according to provisions of Section 12515 of the California Business and Professions Code. Is the service agent properly registered? Does the service agency possess or have access to traceable standards? Were the meters properly, assembled, calibrated, sealed, and installed?
4. Determine if new submeter installations are involved (no previous metering existed). New installations are not allowed for natural gas and watt-hour energy submeters, unless the property is on the Master Meter/Submeter Tariff schedule of the utility.

5. Determine how submeters will be installed and used before beginning to test. For example, if an intended submeter application results in “estimating” unmeasured quantities used in preparing the tenant’s billing, such as measuring only the flow of water into hot water heaters, with the intent of extrapolating and billing for total water use, for gas consumption, or for charging for wastewater or electricity, etc., the meter should not be tested and sealed. Such practices violate fraud and suitability requirements under weights and measures laws, result in inaccurate computations of usage, and may violate CPUC rules or the tariff rules of the serving utility distribution company.
6. Anyone who submits a commercial device to a Sealer for verification is acting as a service agent (see “place into service”) and must be properly registered, possess or have access to traceable standards, and comply with other applicable provisions.
7. Confirm the submitted utility submeters comply with the identification requirements. For example, proper labeling (Model Number XXX-XX and Serial Number XXXXX) prefacing the actual model and serial numbers. California Code of Regulations, Title 4, Division 9, Section 1.10 General Code G-S. Specifications.
8. Verify meter components are properly calibrated and completely assembled and sealed by the service agency.
9. Seal the meters after testing when they are found to comply with all requirements.

After Testing:

Visit the site to ensure the meters comply with user requirements and that submeter billing conforms to the requirements of Section 4090 of the California Code of Regulations.

If there are questionable billing or measurement practices, consult with the serving utility and your area Device Enforcement Program Specialist.